

**ORDINANCE \_\_\_\_\_**

AN ORDINANCE relating to the Alaskan Way Seawall Replacement Project; providing for the submission to the voters of the City, at an election to be held on November 6, 2012, of a proposition authorizing the City to issue general obligation bonds to pay costs related to the design, construction, renovation, improvement and replacement of the Alaskan Way seawall and associated public infrastructure; the principal of and interest on such bonds to be payable from annual property tax levies to be made in excess of regular property tax levies; and ratifying and confirming certain prior acts.

WHEREAS, the existing Alaskan Way seawall is seriously deteriorated due to aging components and materials, the tidal forces of Elliott Bay, and marine borer damage, with approximately 50 percent of the existing wall currently damaged; and

WHEREAS, the Seawall is not designed to withstand earthquakes and there is a one in ten chance in the next ten years of an earthquake that would lead to liquefaction and Seawall failure; and

WHEREAS, failure of the Seawall would severely disrupt public transportation and commerce, and could lead to widespread property damage, injury and loss of life, thus, a replacement Seawall is essential both to public safety and to the local and regional economy; and

WHEREAS, a properly designed and built Seawall is expected to protect the City and its residents and workers for the next 100 years; and

WHEREAS, the engineering and design for the Seawall replacement project (also known as the Elliott Bay Seawall Project) has now advanced to the 35 percent stage where cost estimates and timelines for construction have been reasonably established; and

WHEREAS, Pier 58 is seismically vulnerable and the structural deficiencies of Piers 62/63 have forced the City to significantly limit activities on the piers in order to protect public safety; and

WHEREAS, reconstruction of the pilings and decks of Piers 58 and 62/63 can be efficiently completed while Seawall construction occurs thereby reducing disruption to waterfront businesses and activities; and

WHEREAS, the costs of replacing the Seawall, restoring the Piers and making the other infrastructure repairs that are essential to public safety exceed the funding available from existing City revenue sources; and

WHEREAS, Seattle's central waterfront is a unique asset of our community and replacement of the Seawall will ensure that Alaskan Way can be rebuilt on time as part of the Alaskan Way Viaduct Replacement Program and that the necessary structural foundation and seismic protection will be in place for the soon-to-be-redeveloped Alaskan Way recreational, cultural, social, and economic improvements; NOW, THEREFORE,

**BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

Section 1. If approved by voters, the City is authorized to issue bonds to fund a portion of the costs related to the design, construction, renovation, improvement and replacement of the Alaskan Way seawall and associated public facilities and infrastructure, including City-owned waterfront piers (collectively, the "Project").

Section 2. The City shall incur indebtedness and borrow an amount not to exceed \$290,000,000 on the credit of the City and issue and sell its general obligation bonds or other evidences of indebtedness, which may include but are not limited to, lease obligations ("Bonds"), in an amount not to exceed that principal amount for strictly municipal capital purpose, other than the replacement of equipment, to provide all or part of the funds for the Project. Costs of environmental, engineering, design, architectural, planning, consulting, project and construction management, construction, inspection, testing, financial, audit, legal and other services lawfully incurred incident to the Project, completion of a feasibility study for the Alaskan Way seawall, repayment with interest of interfund loans for project expenses, costs of issuance (including election costs) and sale of the Bonds, administrative, permit, relocation and mitigation expenses, site and right of way improvement, demolition, road improvement, and other similar activities or purposes, and an apportionment equal to one percent (1%) of estimated construction expenditures on the Project upon public works for art pursuant to Seattle

Municipal Code Section 20.32.030, shall be appropriate capital costs to be paid from the proceeds of the Bonds authorized by this ordinance.

The City Council declares that to the extent, if any, the City prior to the date that Bonds or other short-term obligations are issued to finance the Project shall make capital expenditures for the Project from funds that are not (and are not reasonably expected to be) reserved, allocated on a long-term basis or otherwise set aside by the City under its existing and reasonably foreseeable budgetary and financial circumstances to finance the Project, those capital expenditures are intended to be reimbursed out of proceeds of the Bonds or other short-term obligations issued in an amount not to exceed the principal amount authorized by this ordinance.

Section 3. The City shall seek supplemental, matching or additional funds from other sources to pay all or part of the cost of the Project or any component thereof. If the Project shall have been completed and Bond proceeds remain unexpended, then those proceeds may be applied to costs of other waterfront improvements or infrastructure construction, repair or replacement, or to the payment of debt service on Bonds, all as determined by ordinance. Should the funds, including the Bond proceeds, available for the Project be insufficient to complete the Project, the City may delay completion of all or any element of the Project until adequate funding is available, or may eliminate any element.

Section 4. The Bonds shall be issued in one or more series, or as part of a combined issue or issues with other authorized bonds, and shall be issued within ten years of the date of voter approval of the Bonds. The Bonds also may evidence a line or lines of credit. The Bonds shall bear interest (which may be fixed or variable) payable as permitted by law; may mature

1 serially or as term bonds with the longest maturities being within 30 years from their date or  
2 within any shorter period fixed by ordinance; and shall be issued and sold in the manner, at the  
3 times and in the amounts as shall be determined by or pursuant to ordinance. The exact date,  
4 form, terms, options of prior redemption, price, interest rate or rates and maturities of the  
5 Bonds and pledges and covenants shall be fixed by or pursuant to ordinance. The Bonds shall  
6 be paid by annual property tax levies sufficient in amount to pay both principal and interest  
7 when due, which annual property tax levies shall be made in excess of regular property tax  
8 levies without limitation as to rate or amount but only in amounts sufficient to pay both  
9 principal and interest when due.  
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11 Pending issuance of the Bonds and receipt of their proceeds, the City may authorize the  
12 issuance of short-term obligations pursuant to chapter 39.50 RCW, and the costs of those short-  
13 term obligations shall be included in the cost of the Project for which the Bonds are issued.  
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15 Section 5. City Audit Participation. Within sixty (60) days after the end of each  
16 Fiscal Year, the City Auditor shall arrange for an audit to examine whether the public revenues,  
17 grants, fees, bond proceeds and City funds received during the preceding Fiscal Year were used  
18 for the purposes described in Section 1 of this act. City departments shall make available all  
19 information reasonably necessary for the City Auditor to perform such audits. The City  
20 Auditor shall deliver to the Director of SDOT and the Chair of the City Council's Budget  
21 Committee an original, signed copy of each such annual audit by the earlier of (a) thirty (30)  
22 days after the completion of such audit or (b) 180 days after the end of the Fiscal Year covered  
23 by such audit.  
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1           Section 6. The City Council requests that the Director of Records and Elections of King  
2 County, Washington, as ex officio Superior of Elections, conduct a special election in the City  
3 in conjunction with the special election to be held on November 6, 2012, for the purpose of  
4 submitting to the qualified electors of the City for their approval the question of whether or not  
5 the City shall be authorized to borrow money in an amount not to exceed \$290,000,000, issue  
6 its general obligation bonds or other evidences of indebtedness in that principal amount only  
7 for capital purposes other than replacement of equipment, and levy the excess taxes necessary  
8 to pay and retire the Bonds as herein set forth.  
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10           Section 7. The City Council directs that the City Clerk file this ordinance with the  
11 Director of Elections of King County, Washington, as ex officio supervisor of elections,  
12 requesting that the Director of Elections call and conduct a special election in the City to be  
13 held on November 6, 2012, for the purpose of submitting to the qualified electors of the City  
14 the proposition set forth in this ordinance. The City Clerk is directed to certify to the King  
15 County Director of Elections the ballot title approved by the City Attorney in accordance with  
16 his responsibilities under RCW 29A.26.071. The following ballot title is submitted to the City  
17 attorney for his consideration:  
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19           PROPOSITION \_\_\_\_\_  
20           GENERAL OBLIGATION BONDS - \$290,000,000  
21           (ALASKAN WAY SEAWALL )

22           The City Council of the City of Seattle, Washington, passed Ordinance \_\_\_\_\_,  
23 concerning funding the Alaskan Way seawall replacement and associated waterfront  
24 infrastructure.  
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1 This proposition would address public safety risks and seismic hazards by  
2 authorizing the City to incur costs related to the design, construction, renovation,  
3 improvement and replacement of the Alaskan Way seawall and associated public  
4 facilities and infrastructure, including City-owned waterfront piers; issue no more than  
5 \$290,000,000 of general obligation bonds maturing within 30 years; and levy annual  
6 excess property taxes to repay the bonds, all as provided in Ordinance \_\_\_\_\_.  
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8 Should this proposition be:

9 Approved ☐  
10 Rejected ☐

11 Section 8. The Mayor and the Director of Finance of the City and each of the other  
12 appropriate officers of the City are each authorized and directed to do everything as in their  
13 judgment may be necessary, appropriate or desirable in order to carry out the terms and  
14 provisions of, and complete the transactions contemplated by, this ordinance.

15 Section 9. The provisions of this ordinance are declared to be separate and severable.  
16 If a court of competent jurisdiction, all appeals having been exhausted or all appeal periods  
17 having run, finds any provision of this ordinance to be invalid or unenforceable as to any  
18 person or circumstance, such offending provision shall, if feasible, be deemed to be modified to  
19 be within the limits of enforceability or validity. However, if the offending provision cannot be  
20 so modified, it shall be null and void with respect to the particular person or circumstance, and  
21 all other provisions of this ordinance in all other respects, and the offending provision with  
22 respect to all other persons and all other circumstances, shall remain valid and enforceable.  
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24 Section 10. Any action taken consistent with the authority of this ordinance, after its  
25 passage but prior to the effective date, is ratified, approved and confirmed.  
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Section 11. This ordinance shall take effect and be in force immediately upon its approval by the Mayor or, if not approved and returned by the Mayor within ten days after presentation, then on the 11<sup>th</sup> day after its presentation to the Mayor or, if vetoed by the Mayor, then immediately upon its passage over his veto.

Passed by the City Council the \_\_\_\_ day of \_\_\_\_\_, 2012, and  
signed by me in open session in authentication of its passage this  
\_\_\_\_ day of \_\_\_\_\_, 2012.

President \_\_\_\_\_ of the City Council

Approved by me this \_\_\_\_ day of \_\_\_\_\_, 2012.

Michael McGinn, Mayor

Filed by me this \_\_\_\_ day of \_\_\_\_\_, 2012.

City Clerk

(Seal)